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## REVIEW & OUTLOOK

# GOP Budget Revolt

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Most Americans are cynical about politicians, and with cause. Congress wants to spend and spend until taxes have to go up, and the only voter recourse is to throw the bums out once in a while. If only somebody could devise a system with more institutional checks and balances.

Well, a few far-sighted lawmakers are trying to do precisely that. The rules governing Congress's annual budget process for the past 30 years have created a built-in bias toward waste and ever-larger government. To create the proper incentives for lower spending and taxes, four Congressmen have proposed the Family Budget Protection Act, due to be debated in the House as early as this week.

The federal government's out-of-control deficit spending since 1974 is actually an historic aberration. Congress took advantage of President Richard Nixon's post-Watergate weakness to pass the Congressional Budget Control and Impoundment Act. That law stripped the executive of the power to "impound" spending not authorized in the budget, and created a deliberately cumbersome system that maintains a facade of fiscal discipline but actually assists legislative log-rolling. The Founders' finely balanced separation of powers was upset.

Various band-aids have since been tried, with only temporary success. Gramm-Rudman briefly braked spending growth in the 1980s. Then so-called pay-as-you-go rules led to higher taxes rather than cuts in spending. A true spending-cut plan known as A to Z surfaced in 1994 but never got off the ground. Newt Gingrich's Contract With America gave Bill Clinton the line-item veto, only to have the Supreme Court rule it unconstitutional.

Who knows why it took so long, but finally somebody is going to the root of the problem. GOP Congressmen Chris Cox, Jeb Hensarling, Paul Ryan and Chris Chocola have catalogued the distortions introduced in 1974, and their bill would eliminate all of them.

At the top of the list, annual budget resolutions would be signed by the President and gain the force of law,

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rather than just being a "guideline." Moreover, the framework for appropriations would be much simpler than today's breakdown by committees and sub-committees. This would eliminate the back-room haggling over funding that encourages mutual pork-barreling, by bringing more of the budget process onto the floor of the two chambers and into the light of day.

Under the current system, committees routinely exceed their spending limits with a wink and a nod from arbiters of the rules. But under a statutory budget, any Member would be entitled to raise a point of order challenging budget-busting appropriations, and only a two-thirds majority in both houses could overcome such an objection. Meanwhile, say good-bye to the Senate's Byrd Rule requirement that tax cuts lacking two-thirds support have only a 10-year lifespan; instead entitlements and discretionary items would sunset once every decade.

Also gone would be the perverse concept of baselining, under which all proposals are scored against projected spending increases. This means that a plan to increase a budget item less than expected is portrayed as a spending "cut" -- yet another institutional bias toward profligacy.

Some of the worst spending blowouts have occurred when Congress gets deadlocked and takes the budget down to the wire. The threat of a government shutdown forces those trying to limit spending to compromise, lest worthy programs have to close their doors. The Family Budget Protection Act would allow the government to keep operating at existing funding levels, but with across-the-board cuts of 1% for every quarter the budget is delayed. By taking away the leverage of the tax-and-spenders, the balance of power might shift back in favor of the taxpayers.

Perhaps most important, the bill would restore some of the power seized from the executive in 1974. Presidents would have the power of rescission on line items deemed wasteful, which would then be sent back to Congress for an expedited override vote. This preserves the constitutional principle of Congress controlling the power of the purse, but also creates some adult supervision and perhaps a deterrent effect on the porkers.

While the bill has more than 100 sponsors in the House, realistically there's little chance of passing the whole blueprint this year. So its champions have broken the reform into nine parts and will offer them as amendments to a bill already approved by Jim Nussle's Budget Committee. That way each idea will get more of an airing and with luck a few might even pass.

Sad to say, the reformers are running into opposition even from fellow Republicans, especially the Old Bulls on the Appropriations Committees. They're leaning on GOP leaders to rule out the amendment strategy so they don't have to declare their spending bias in public. The Bush White House has also been mute, unlike the Reagan Administration in the deficit-era of the 1980s.

Then Republicans had the excuse of House Democratic control, but now the runaway spending is on their watch. In their decades of dominance, Democrats changed Congressional processes to enhance their policy goals. Republicans have so far failed to do the same. Unless their talk about smaller government is so much eyewash, they should embrace this budget reform.

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